

Exhibit D



COMPANY

PROFILE

CORPORATE

HEADQUARTERS: **LOTTERY ENTERPRISES, INC.**
7320 Convoy Court.
San Diego, CA 92111 USA
Phone: (619) 569-5266
Fax: (619) 569-9157
Tech. Support (800) 487-7009

**EAST COAST
OFFICE:**

LOTTERY ENTERPRISES, INC.
74 Branch Street # 17
Scituate, MA 02066 USA
Phone: (617) 545-4829
Fax: (617) 545-4477

VIRGINIA OFFICE: **LOTTERY ENTERPRISES, INC.**
1206 Willard Road
Suite 103
Richmond, VA 23294 USA
Phone: (804) 755-8702
Fax: (804) 672-7661

KEY PERSONNEL: **Robert L. Burr**, President & CEO
John F. Winchester, Executive Vice President
Catherine Winchester, Director of Marketing, Western Region
John L. Winchester, Director of Marketing, Eastern Region
Robert Cooley, Director of Research and Development
Don Wesser, Director of Manufacturing
Leon Ostapiej, Director of Quality
Paul D. Alvarez, Technical Manager, Western Region
Herb Herrmann, Director of Engineering
William McAdaragh, Service Manager, Virginia Operations

Lottery Enterprises, Inc. has been manufacturing the ITR™-7000 series Instant Ticket Dispensing machines since June 1990. The ITR™-7000 series is a third generation machine, preceded by the ITR™-7000 and ITR™-6000 terminals which have been in various field tests since 1986. For the Oregon Lottery, we are proposing our fourth generation model, the ITR™-7500.

Manufacturing facilities are located at the corporate address. The top management of the company has been involved in design concepts, engineering and production of vending machines since 1976. This has included video amusement machines, video poker, keno and quarter horse gaming machines. Since 1985, the management has exclusively designed, manufactured, marketed and field tested lottery instant ticket vending machines.

LEI has 292 man years experience in the Lottery Industry, high technology field and the vending/gaming machine industry.

Lottery Enterprises, Inc. was incorporated in March of 1990. Production of the ITR™-7000 series Instant Ticket Retailer terminal began in June of 1990.

- Field testing commenced in September 1990 resulting in a contract with the **Virginia Lottery** on March 25, 1991 for the installation of 2,000 ITRs™.
- LEI was awarded the contract to supply the **Delaware Lottery** with the ITR™-7000 system. Fifty (50) terminals were to be delivered in June. An Additional fifty (50) are scheduled for July with follow-up delivery as required.
- In May 1992 the **Colorado Lottery** purchased terminals for installations in casinos in the gaming towns of Black Hawk and Cripple Creek and other age-controlled environments.
- In June 1992 LEI was informed of a successful bid with the **Vermont Lottery**. The first one hundred (100) units will be delivered in August, 1992.
- LEI was notified in July 1992 as being the apparent successful winner for implementing 2,000 ITVMs for the **California Lottery**, with an option on an additional 4500 terminals.

- ✓ Active negotiations are continuing with **Maine, Indiana, Washington D.C. and Kansas.**
- ✓ A three month, 20 unit test recently completed in Western Canada in February of 1992.
- ✓ A 20 unit test began in July 1992 with the Ontario Lottery.
- ✓ Testing in Iceland began in January of 1992. Australia, Spain, Czechoslovakia, England are scheduled for field test in 1992.

The ITR™-7000 series of Instant Ticket Retailers have been proven to increase tickets sales from 2 to 10 times in those locations which sold lottery tickets either over the counter or manually such as supermarkets and convenience stores. Additionally, it has opened up new markets which heretofore have not been available to lotteries. Specifically, these markets can be identified as private clubs, bars, airports, restaurants, hospitals and shopping malls.

The following is a breakdown of tests conducted by LEI with Lotteries around the world:

NAME OF LOTTERY OR ORGANIZATION	NUMBER OF ITRs TM	TEST BEGAN	TEST ENDED
British Columbia	2	9/91	1/92
California	40	3/92	5/92
Safeway (CA)	2	7/91	9/91
Colorado	3	4/91	7/91
Delaware	4	7/91	11/91
Washington DC	3	10/90	11/90
Iceland	1	1/91	present
Idaho	4	10/90	12/90
Hoosier Lottery	6	9/90	3/91
Marsh Supermarkets (IN)	4	2/91	8/91
Village Pantry (IN)	4	2/91	3/91
Kroger Supermarkets (IN)	3	4/92	5/92
Kansas	4	6/91	9/91
Kentucky	6	1/91	4/91
Maine	4	11/90	8/91
Maryland	10	2/91	4/91
Massachusetts	4	10/91	11/91
Minnesota	1	2/92	6/92
New Jersey	2	2/92	4/92
Ohio	6	10/90	1/91
Ontario	15	7/92	present
Pennsylvania	3	5/92	7/92
Vermont	14	9/90	6/91
Washington State	3	12/91	3/92
West Virginia	6	11/91	1/92
Western Canada	20	2/92	5/92

All of these tests were very successful; sales increased from two to ten times over previous sales figures.

EVOLUTION OF THE ITR™

The administration of the Instant Ticket product line has been and continues to be labor intensive, whereas the other product lines offered by the lotteries, namely Lotto, Pick 3/4, by their very nature are technologically advanced. In order to reduce the amount of labor dedicated to the Instant Ticket product line and thus streamline and mechanize the administration of the games, an intensive market research project was initiated by Lottery Enterprises, Inc. personnel in April 1985. Lottery personnel, including Directors, lottery agents and consumers in the United States and Canada were interviewed. The result of our research indicated that the most pressing problems arise in the following areas: accounting, security, agent motivation, marketing, relevant sales statistics and availability of the product. With this information in mind, the Instant Ticket Retailer was designed and manufactured. Each of the problem areas were addressed and became part of the Instant Ticket Dispenser.

Our first Instant Ticket Dispenser, the ITR™-5000 series was agent operated and was field tested in Vermont. It became clear immediately that this was not what the lottery, agent and consumer wanted. The consumer wanted to see the product, and have the ability to activate the terminal and have a choice of games. The agent and lottery concurred and in addition wanted a secure cash drawer.

The results of the initial field research led to the ITR™-6000 series. This series incorporated all of the suggestions gleaned from the customer, lottery and lottery agent. The 6000 series was designed to permit viewing of the tickets through a window and handle up to four games. This series was larger and the tickets being dispensed were cut and dropped into a cup; but it was very difficult to maintain the proper bursting measurement, causing tickets to be mutilated. In addition, it was discovered that the majority of consumers wanted to be able to buy an uncut string of tickets and separate them.

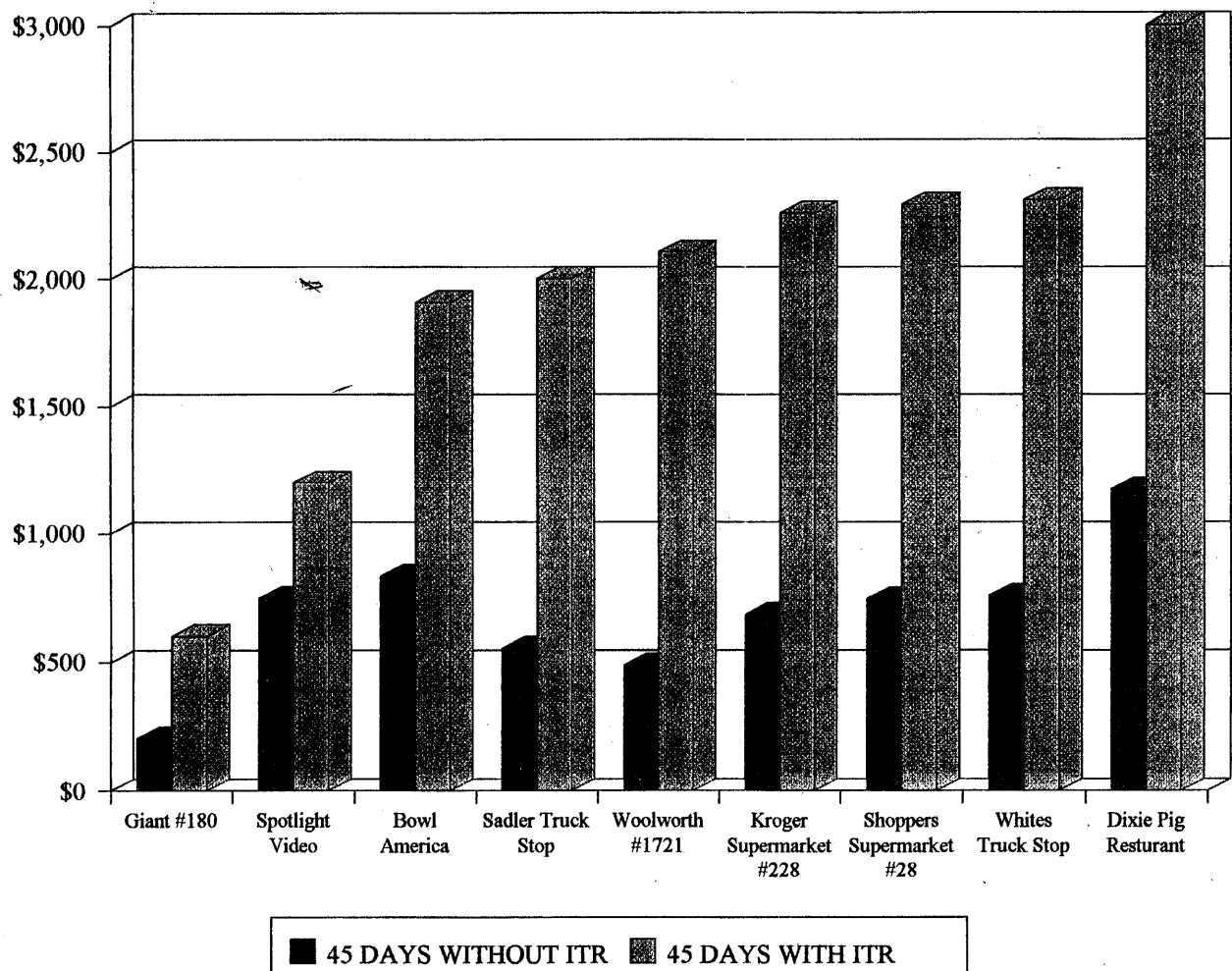
The latest design, the ITR™-7000 has many advantages and improvements over the 6000. These include:

- ✓ The 7000 series machines are half the size of the 6000 series. The largest capacity 8-dispenser machine can securely store **24,000** instant tickets in half the size of the 6000 series 4-dispenser machine.
- ✓ The 7000 takes up less floor space, to the delight of retailers.
- ✓ The 7000 has fewer moving parts.
- ✓ Loading and unloading of tickets are automatic.
- ✓ No confusing keypad entries are required from the customer. They simply press the appropriate button to dispense their tickets.
- ✓ Tickets are dispensed to the consumer who can **separate one or a group of tickets**, hence, a more reliable method and consumer appeal.
- ✓ The 7000 series permits up to eight different games.
- ✓ Automatic printing of sales and inventory reports on a daily basis.
- ✓ The 7000 procedures are easier for the agent to learn. Training time is minimal.
- ✓ The data input menus have been streamlined to make it easier for the agent to do routine procedures.
- ✓ All sales reports are printed at the push of a button from the Main Menu. Stepping through confusing menu options to print reports has been eliminated.
- ✓ Software upgrades are easier to install, service technicians do not need to be called out. Some agents using the 7000 are doing it themselves now.
- ✓ Diagnostic routines are much more advanced providing faster and more reliable troubleshooting operations.
- ✓ A modular design provides quick and simple upgrades and module replacements.
- ✓ The 7000 series can easily be customized to individual needs of agents.

UNIQUE FEATURES OF THE ITR™-7000:

- ✓ Ability to store and dispense up to eight different games/ **3000** tickets per dispensing unit.
- ✓ Automatic printing of daily sales/inventory report at midnight or at the time the agent selects.
- ✓ Audit trail report
- ✓ Dual processors insuring reliability
- ✓ High speed dial-up communications procedures
- ✓ Programmable attract mode
- ✓ Daylight Savings Time setting that will automatically adjust the system time when necessary.
- ✓ Programmable CLERK ID numbers. This allows the manager to monitor all access to the machine, with hard copy reports showing the date and time each clerk accessed the machine.
- ✓ Hard copy report of lifetime sales from the machine. This figure can only be changed by technician or lottery personnel with proper access code.

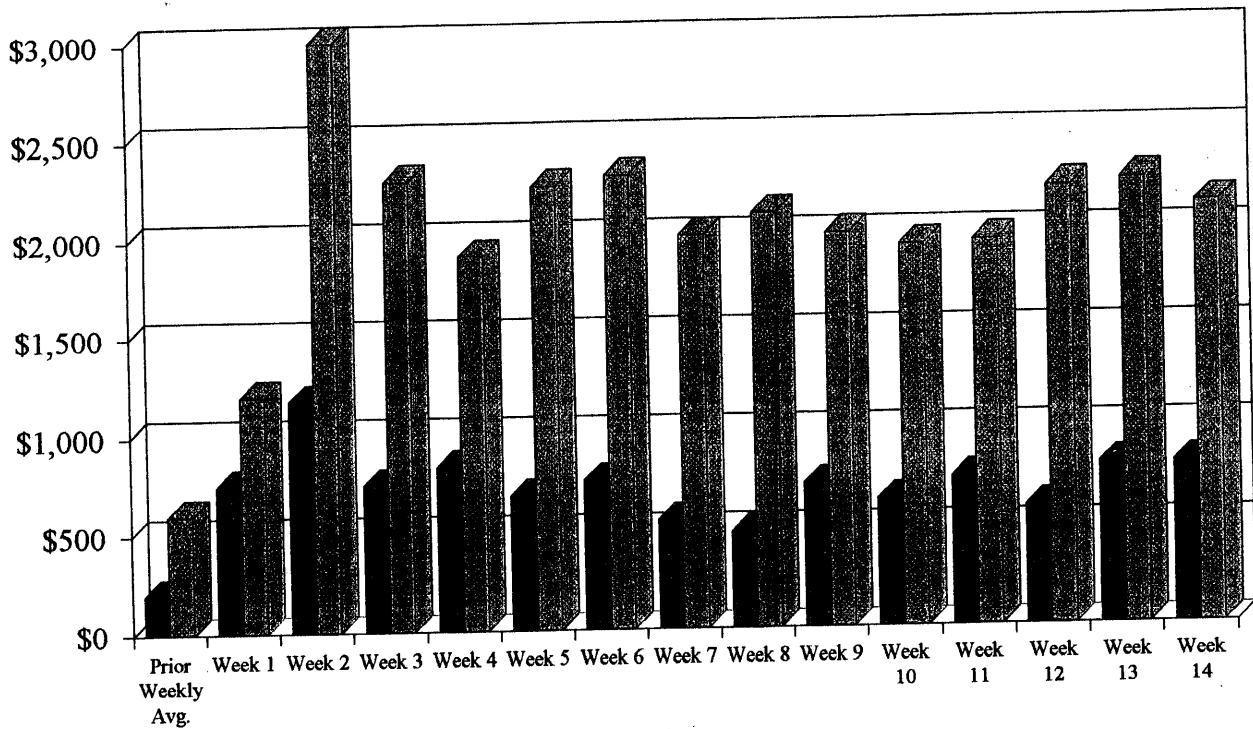
VIRGINIA LOTTERY
Example of Sales Increases using the ITR-7000



	45 DAYS WITHOUT ITR	45 DAYS WITH ITR	INCREASE
Giant #180	\$200	\$600	200.00%
Spotlight Video	\$747	\$1,196	60.11%
Bowl America	\$835	\$1,909	128.62%
Sadler Truck Stop	\$551	\$2,000	262.98%
Woolworth #1721	\$487	\$2,108	332.85%
Kroger Supermarket #228	\$684	\$2,260	230.41%
Shoppers Supermarket #28	\$746	\$2,295	207.64%
Whites Truck Stop	\$758	\$2,311	204.88%
Dixie Pig Resturant	\$1,171	\$3,024	158.24%
Total sales for test period	\$6,179	\$17,703	186.50%

This information was compiled by Scientific Games, Inc. resulting from an independent survey in March 1992
 Kroger Supermarket #228 data includes 25 days only

WASHINGTON LOTTERY
Example of Sales Increases using the ITR-7000



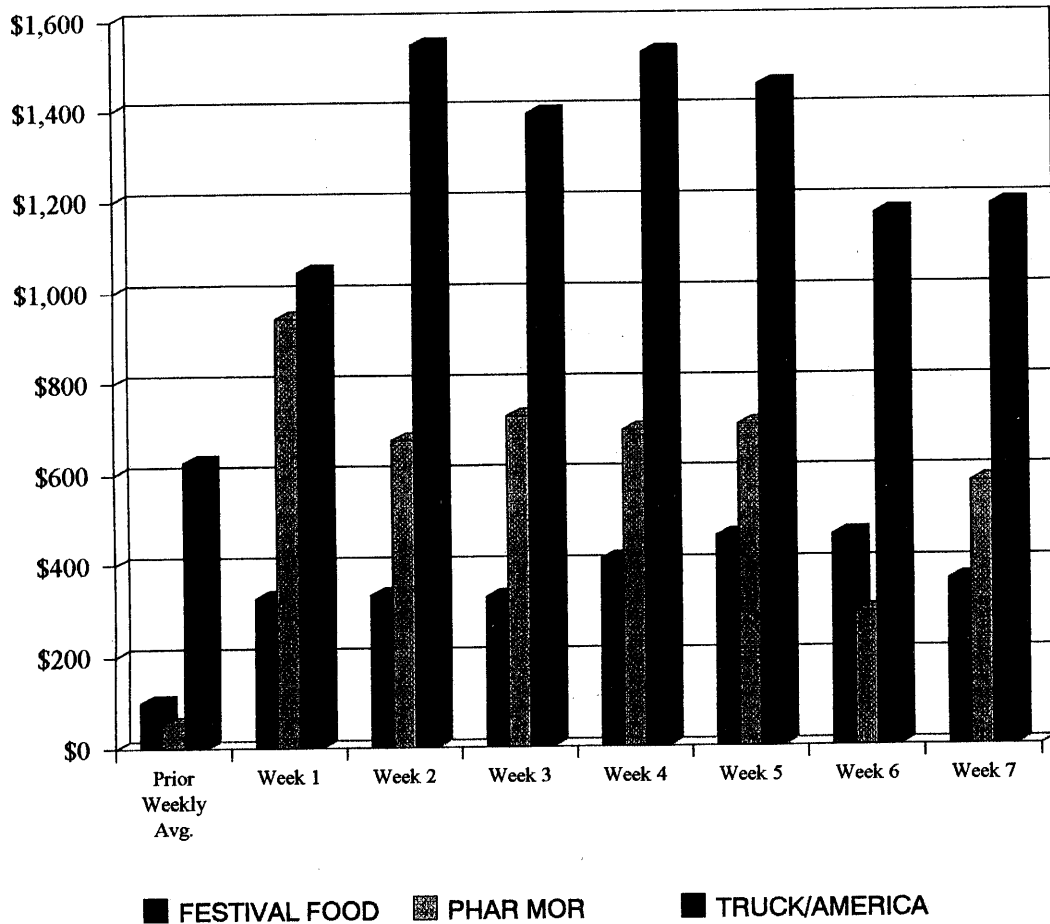
	ALBERTON'S #472	BAYVIEW MARKET
ITR Model Number	ITR-7000-4	ITR-7000-4
Prior Weekly Avg.	\$600	\$200
Week 1	\$1,196	\$747
Week 2	\$3,024	\$1,171
Week 3	\$2,295	\$746
Week 4	\$1,909	\$835
Week 5	\$2,260	\$684
Week 6	\$2,311	\$758
Week 7	\$2,000	\$551
Week 8	\$2,108	\$487
Week 9	\$2,005	\$729
Week 10	\$1,942	\$645
Week 11	\$1,961	\$754
Week 12	\$2,231	\$601
Week 13	\$2,263	\$817
Week 14	\$2,138	\$818
Total sales to date for test period:	\$29,643	\$10,343
Average weekly sales:	\$2,117	\$739
\$ Increase over average:	\$1,517	\$539
% Increase over average:	252.89%	269.39%

* Week 1 was a partial week

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PENNSYLVANIA LOTTERY
Example of Sales Increases using the ITR-7000



	FESTIVAL FOOD	PHAR MOR	TRUCK/AMERICA
ITR Model Number	ITR-7000-4	ITR-7000-4	ITR-7000-4
Prior Weekly Avg.	\$100	\$50	\$625
Week 1	\$326	\$942	\$1,044
Week 2	\$332	\$674	\$1,545
Week 3	\$327	\$726	\$1,390
Week 4	\$411	\$695	\$1,526
Week 5	\$460	\$706	\$1,452
Week 6	\$462	\$292	\$1,167
Week 7	\$360	\$577	\$1,184
Total sales for test period:	\$2,678	\$4,612	\$9,308
Average weekly sales:	\$383	\$659	\$1,330
\$ Increase over average:	\$283	\$609	\$705
% Increase over average:	282.57%	1217.71%	112.75%

Virginia

An Update on

Virginia's Instant Ticket Vending Machines

Prepared by the Virginia Lottery

Virginia became the first state to begin a large-scale installation of instant ticket vending machines (ITVMs) last summer. In just six months, the program has proven profitable for retailers and popular with players.

When the first machine was installed in June, at a Giant grocery store in an affluent northern county, the Lottery had planned to concentrate only in the northern Virginia area for the first 12 months. But as the Lottery quickly worked a few start-up glitches out of the program, the Lottery sales department decided to move the program to three other parts of the state: south to Richmond, west to Harrisonburg and east to the Norfolk area.

"Consumer convenience, accessibility to multiple games, higher visibility and less labor intensive are factors that make ITVMs the right choice for higher, more profitable sales in many retail locations," says Ken Thorson, the Lottery's director.

More than 250 machines have been installed. They are currently being installed at a rate of 30 per week.

During this first year of the program, Virginia is concentrating on supermarkets, chain drug stores and bowling centers. In addition, Burger King

restaurants have made an application to install the vending machines in 16 of its franchised restaurants in the eastern part of the state.

The Lottery Enterprises Inc. machines installed at each location sell four instant games at a time. To access instant tickets through the vending machine, players first insert a \$1, \$5,

instant vending machines there's a better chance of finding the game they want to play in our store." Safeway grocery stores had been selling only one game through the checkout stands.

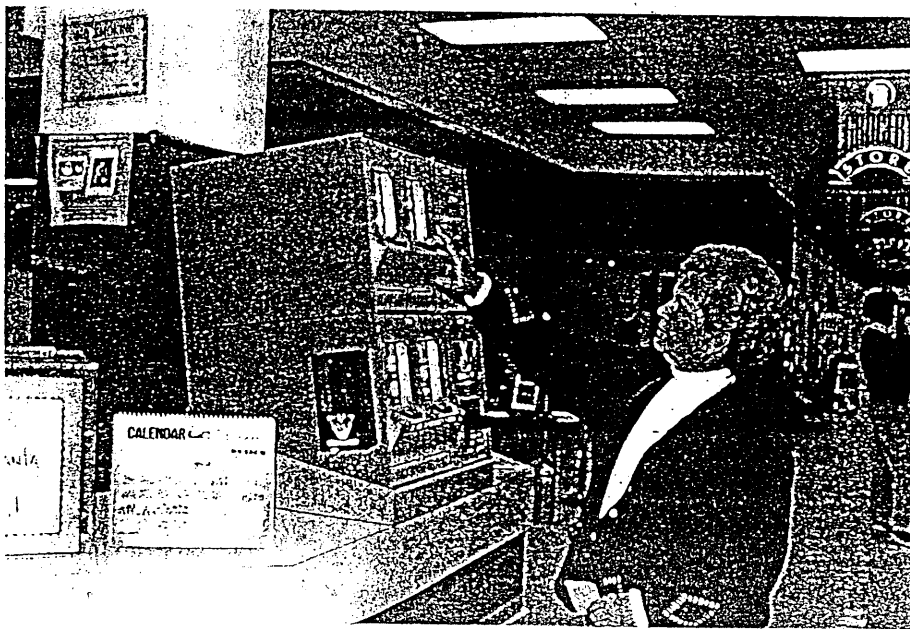
Retailers have averaged weekly sales of 1,000 tickets per machine, with some retailers selling as many as 5,500 tickets per week.

Chris Borglin, whose F.W. Woolworth Co.'s store received the first ITVM in the Richmond, Va. area, says the store sold 600 tickets on Saturday during the first week. Prior to that, it generally took a week to sell the same amount of tickets, Borglin says.

Virginia will install more than 100 vending machines a month and will seek new types of businesses to sell lottery tickets through the

vending machines until the demand has been satisfied. The Lottery may install as many as 2,000 instant ticket vending machines.

"The machine stays busy all of the time," says William McMillian, an assistant manager at an Arlington Rite Aid drugstore in Virginia. "We sell three times as many tickets than what we had been selling through the registers."



Player purchases a ticket through the Virginia Lottery's instant ticket vending machine.

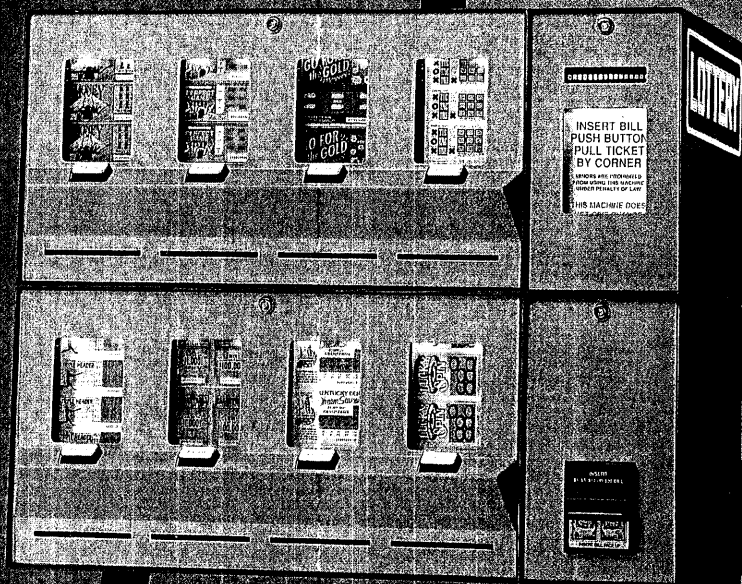
\$10 or \$20 bill, according to the amount they wish to play. Next, they select the game or games they wish to purchase, press a button to release the ticket through an opening and rip off the ticket along the perforation.

"Players like having more than one game available," says Sam Chandler, who oversees lottery sales at a Safeway grocery store in Fairfax, Va. "Most people have a favorite game, and with the



The Leader In Instant Ticket Dispensing Technology

ITR™ INSTANT TICKET RETAILER



A TROUBLE-FREE DISPENSER WITH SPLIT-SECOND SPEED.

The consumer-activated INSTANT TICKET RETAILER (model ITR™-7000) opens up uncharted marketing opportunities for retailing instant lottery tickets. The ITR™-7000 is designed to streamline the marketing of instant lottery tickets by opening up new markets which heretofore have not been available to lotteries. Specifically, these markets can be identified as those where sales now exist but at a level far below potential (typically food chain stores, liquor stores, etc) and locations where potential exists but instant tickets are not being offered for sale (private clubs, bars, malls, etc).

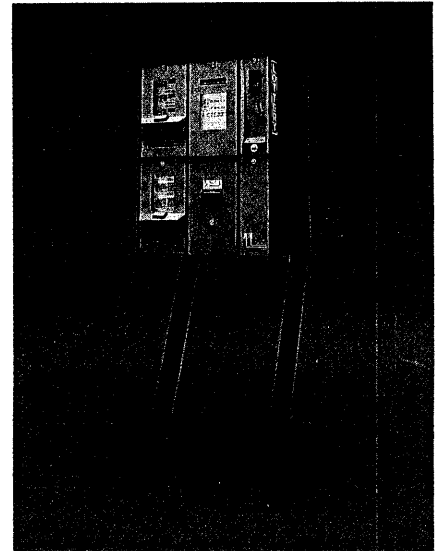
The ITR™-7000 is simple to operate. The customer inserts a dollar bill, in any denomination of one, five, ten or twenty dollars and makes a selection from one to eight separate games. It's simple. It's convenient. And it's secure. Additionally, each ITR™-7000 dispensing unit stores up to 3,000 tickets for a maximum of 24,000 tickets per machine. This coupled with the fact that it keeps track of

all the accounting and inventory of each game and tied in with the LEI FILE SERVER™ will alert the lottery in ample time to replenish ticket stock when it becomes low and will make distribution of tickets routine.

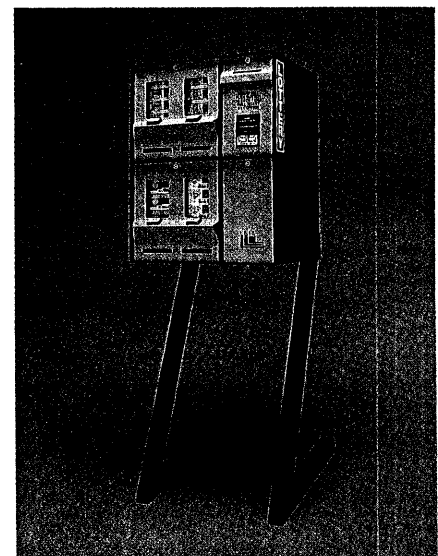
The ITR™-7000 has an optional attention-getting LED scrolling sign to attract impulse buyers. The sign is loaded from the LEI FILE SERVER™ at Lottery headquarters or other remote locations to promote special games or winning jackpots.

The ITR™-7000 is available in four convenient models. All include standard bill acceptors and/or optional coin acceptors (see -C). the -2 houses two dispensers, the -4 houses four dispensers, the -6 houses six dispensers and the -8 houses eight dispensers. All models are available as counter tops, wall mounts or stand-alone terminals. The stand-alone models offer two options: Twin-L legs or security storage cabinet.

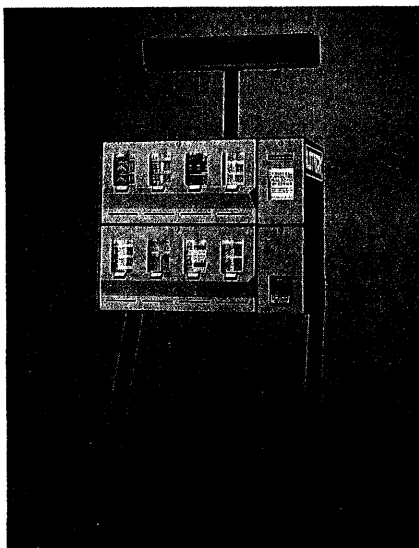
Quite simply, LEI's ITR™-7000 will revolutionize the way you'll market Instant Lottery Tickets.



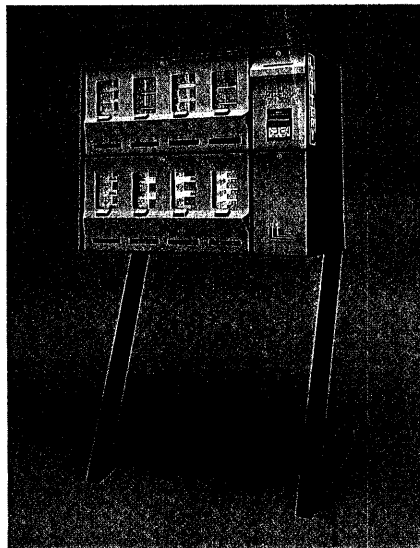
ITR™-7000-2-C
Shown with optional coin acceptor



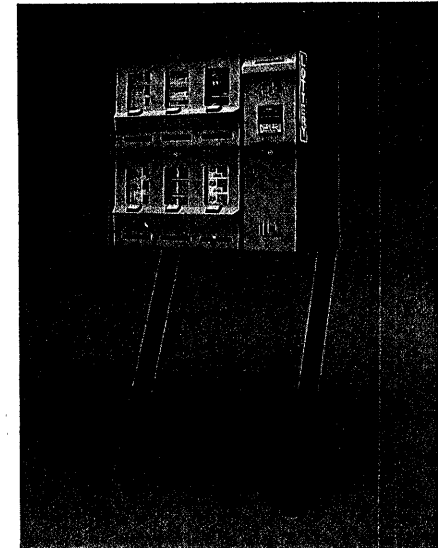
ITR™-7000-4



ITR™-7000-8-S
Shown with optional LED display



ITR™-7000-8



ITR™-7000-6